

DEPARTMENT OF THE INTERIOR

Minerals Management Service

30 CFR Part 250

RIN 1010-AB96

Flaring or Venting Gas and Burning Liquid Hydrocarbons

AGENCY: Minerals Management Service (MMS), Interior.

ACTION: Proposed rule.

SUMMARY: This proposed rule would amend regulations governing the restrictions on flaring or venting gas to include restrictions on burning liquid hydrocarbons. The MMS is proposing to amend these regulations because of the increased interest in burning liquid hydrocarbons and to clarify the restrictions on burning this natural resource. The amendment would conserve liquid hydrocarbons and protect the environment from the possible effects of burning liquid hydrocarbons.

DATES: Comments on this proposed rule must be postmarked or received on or before February 17, 1995 to be considered for this rulemaking.

ADDRESSES: Mail or hand-carry comments to the

Department of the Interior; Minerals Management
Service; Mail Stop 4700; 381 Elden Street; Herndon,
Virginia 22070-4817; Attention: Chief, Engineering and
Standards Branch.

FOR FURTHER INFORMATION CONTACT: Sharon Buffington,
Engineering and Standards Branch, telephone
(703) 787-1600.

SUPPLEMENTARY INFORMATION: Requests for burning liquid
hydrocarbons (crude oil and condensate) have become
more frequent in the Outer Continental Shelf. In the
interest of conserving natural resources, and because
of the environmental concerns associated with this
burning, MMS proposes to amend the regulations at
30 CFR 250.175, which currently include restrictions on
flaring and venting of gas, to include restrictions on
burning liquid hydrocarbons.

Under proposed new paragraph (c) of 30 CFR 250.175,
lessees will not be permitted to burn liquid
hydrocarbons without the prior approval of the Regional
Supervisor. To obtain approval, the lessee must
demonstrate that the amounts to be burned would be
minimal or that the alternatives, such as transporting
the liquids or storing and re-injecting the liquids,

are infeasible or pose a significant risk

to offshore personnel or the environment. The term "lessee" also includes their agents and designees.

Authors: Sharon Buffington and Jo Ann Lauterbach, Engineering and Technology Division, MMS, prepared this document.

Executive Order (E.O.) 12866

The Department of the Interior (DOI) reviewed this proposed rule under E.O. 12866 and determined that it is not a significant rule.

Regulatory Flexibility Act

The DOI determined that this proposed rule will not have a significant effect on a substantial number of small entities. In general, the entities that engage in offshore activities are not considered small due to the technical and financial resources and experience necessary to safely conduct such activities.

Paperwork Reduction Act

The proposed information collection requirements contained in § 250.175 were submitted to the Office of Management and Budget (OMB) for approval as required by the Paperwork Reduction Act (44 U.S.C. 3501 et seq.).

The DOI will not require the collection of this information until OMB has approved its collection.

The MMS estimates the public reporting burden for this information to average 1.5 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the information collection. Send comments regarding this burden estimate or any other aspects of this collection of information, including suggestions for reducing the burden, to the Information Collection Clearance Officer; Minerals Management Service; Mail Stop 2053, 381 Elden Street; Herndon, Virginia 22070-4817, and the Office of Management and Budget, Paperwork Reduction Project (1010-0041), Washington, D.C. 20503.

Takings Implication Assessment

The DOI determined that this proposed rule does not represent a governmental action capable of interference with constitutionally protected property rights. Thus, a Takings Implication Assessment does not need to be prepared pursuant to E.O. 12630, Government Action and Interference with Constitutionally Protected Property

Rights.

E.O. 12778

The DOI certified to OMB that this proposed rule meets the applicable civil justice reform standards provided in Sections 2(a) and 2(b)(2) of E.O. 12778.

National Environmental Policy Act

The DOI determined that this action does not constitute a major Federal action significantly affecting the quality of the human environment; therefore, an Environmental Impact Statement is not required.

List of Subjects in 30 CFR Part 250

Continental shelf, Environmental impact statements, Environmental protection, Government contracts, Incorporation by reference, Investigations, Mineral royalties, Oil and gas development and production, Oil and gas exploration, Oil and gas reserves, Penalties, Pipelines, Public lands--mineral resources, Public lands--rights-of-way, Reporting and recordkeeping requirements, Sulphur development and production, Sulphur exploration, Surety bonds.

Dated:

Bob Armstrong
Assistant Secretary, Land and
Minerals Management.

For the reasons set forth above, MMS proposes to revise 30 CFR part 250 to read as follows:

PART 250--OIL AND GAS AND SULPHUR OPERATIONS IN THE
OUTER CONTINENTAL SHELF

1. The authority citation for part 250 continues to read as follows:

Authority: 43 U.S.C. 1334.

2. Section 250.175 is revised to read as follows:

§ 250.175 Flaring or venting gas and burning liquid hydrocarbons .

(a) Lessees must not flare or vent oil-well gas or gas-well gas without the prior approval of the Regional Supervisor except in the following situations:

(1) When gas vapors are flared or vented in small volumes from storage vessels or other low-pressure production vessels and cannot be economically recovered.

(2) During temporary situations such as a compressor or other equipment failure or the relief of system pressures. The following conditions apply:

(i) Lessees must not flare or vent oil-well

gas for more than 48 continuous hours without the approval of the Regional Supervisor. The Regional Supervisor may specify a limit of less than 48 hours when necessary to prevent air quality degradation. Flaring or venting gas from a facility must not continue for more than 144 cumulative hours during any calendar month without the approval of the Regional Supervisor.

(ii) Lessees must not flare or vent gas-well gas beyond the time required to eliminate a temporary emergency without the approval of the Regional Supervisor.

(3) During the unloading or cleaning of a well, drill-stem testing, production-testing, or other well-evaluation testing for periods not to exceed 48 cumulative hours per testing operation on a single completion. The Regional Supervisor may specify a shorter period of time, under prior notice, to prevent air quality degradation.

(b) Lessees may flare or vent oil-well gas for a period not to exceed 1 year when the Regional Supervisor approves the request for one of the following reasons:

(1) The lessee initiated an action which, when completed, will eliminate flaring and venting; or

(2) The lessee submitted an evaluation supported by engineering, geologic, and economic data indicating that the oil and gas produced from the well(s) will not economically support the facilities necessary to save and/or sell the gas, or that sufficient quantities of gas are not available for marketing.

(c) Lessees must not burn produced liquid hydrocarbons without the prior approval of the Regional Supervisor. To burn produced liquid hydrocarbons, the lessee must demonstrate that the amounts to be burned would be minimal, or that the alternatives are infeasible or pose a significant risk to offshore personnel or the environment. Alternatives to burning liquid hydrocarbons include transporting the liquids or storing and re-injecting them into a producible zone.

(d) Lessees must prepare records detailing gas flaring or venting, and liquid hydrocarbon burning, for each facility. The records must include, at a minimum:

(1) Daily volumes of gas flared or vented, and liquid hydrocarbons burned.

(2) Number of hours of flaring, venting, or burning on a daily basis.

(3) Reasons for flaring, venting, or burning.

(4) A list of the wells contributing to flaring, venting, or burning, along with the gas-oil ratio data.

(e) Lessees must keep these records for at least two (2) years. Lessees must make the records available for inspection by Minerals Management Service (MMS) representatives at the lessees' field office that is nearest the Outer Continental Shelf facility, or at other locations conveniently available to the Regional Supervisor. Upon request by the Regional Supervisor, lessees must provide a copy of the records to MMS.